



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

BancStar, Inc.

Person to be contacted regarding this report:	Thomas H. Keiser
CPP Funds Received:	\$8,600,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	4/3/2009
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	1097445
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Festus
State:	Missouri

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	By purchasing \$1,850,000 of non-performing loans and \$3,910,000 of foreclosed assets from our subsidiary banks and injection the remaining \$2,840,000 into common stock equity of our banks we strengthened their balance sheets and made dollars available to our good loan customers.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	We were able to continue to work with commercial real estate customers in our four bank's local communities. Without the capital purchase by the U S Treasury we would have shrunk our size and our commercial loan exposure at the worst time for our communities.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	



Reduce borrowings



Increase charge-offs



Purchase another financial institution or
purchase assets from another financial
institution



Held as non-leveraged increase to total
capital

What actions were you able to avoid because of the capital infusion of CPP funds?

Foreclosed assets purchased from our banks have been properly maintained and are offered for sale in an orderly fashion. If left at the banks these non-performing assets would be sold quickly which would have exacerbated the problem of falling prices in a disorderly market. Non-performing loans were purchased from subsidiary banks which improved their balance sheets. Our holding company works with cooperative borrowers and provides needed time to work out problems or more orderly liquidate collateral for a more favorable result. Our banks are functioning better and are more able to serve our communities' credit needs in these uncertain times.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.